

USA Capital

First Trust Deed Investment

- Borrower:** Harbor Georgetown, LLC
Craig Schubiner has been in the development business for 16 years in Southeast Michigan. He has overseen the acquisition, management, construction and development of more than 50 different retail, commercial, industrial, vacant land and multi-family properties.
- Loan Amount:** \$8,800,000
- Rate:** 12%
- Loan to Value:** Approximately 75% based on an analysis of build out profits from planned redevelopment of the retail center. An appraiser has been engaged to complete an appraisal report on the property.
- Term:** 18 months
- Collateral:** Approximately 6.51 acres of land with 83,000 square feet of retail and office space located at 2502-2568 Packard Road in Ann Arbor, Michigan.
- The Project:** The property is well located near the University of Michigan on Packard Road. The center was built in 1973 within a high income and densely populated area with no developable commercial or residential land.
- The redevelopment plans are to demolish the existing center, and build 149,000 square feet of retail space anchored by Kroger, and Rite-Aid, both existing tenants, along with 80 condominiums above the retail, each averaging 1,875 square feet. The borrower objective is to create inviting public gathering places within the project to better serve the day-to-day need of surrounding residential neighborhoods. The project will add storefronts with a central tower, fountain and outdoor seating areas.
- Use of Proceeds:** Proceeds from the loan will be used to refinance the existing debt, provided some entitlement costs, and carry the property until the redevelopment plans are approved.

Tom Hantges

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USA Commercial Mortgage Company 4484 S. Pecos Rd, Las Vegas NV 89121
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EXHIBIT B

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Borrower Equity: The borrower has contributed approximately \$500,000 into the predevelopment cost for this project, in addition to the net operating income generated by the project since its acquisition.

Exit Strategy: The loan will be repaid from a construction loan.

Guarantees: The managing member of Harbor Georgetown, LLC, Craig Schubiner with an estimated net worth of approximately \$63,000,000 as of 12-31-03.

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